

## **Banking and Finance Law Daily Wrap Up, FEDERAL RESERVE SYSTEM— Senators voice opposition to Fed nominee Shelton, (Nov. 17, 2020)**

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Senators Sherrod Brown and Lamar Alexander released statements opposing Judy Shelton's nomination to the Board.

Senators Sherrod Brown (D-Ohio) and Lamar Alexander (R-Tenn) released statements in response to the decision by Senate Majority Leader Mitch McConnell (R-Ky) to end debate and take a vote on Judy Shelton's nomination to the Board of Governors of the Federal Reserve System. Both senators oppose Shelton's nomination, and argued that her views are out of the mainstream and that she does not support the independence of the Board. Shelton was nominated to the Board in January and in July, her nomination was approved out of committee.

In January (see [Banking and Finance Law Daily](#), Jan. 31, 2020), Shelton's nomination was sent to the Senate. In February, the Senate Committee on Banking, Housing, and Urban Affairs held a hearing on Shelton's nomination (see [Banking and Finance Law Daily](#), Feb. 14, 2020). The Senate Banking Committee voted to approve Shelton's nomination in July 2020.

Brown, Ranking Member of the U.S. Senate Committee on Banking, Housing, and Urban Affairs, pressed his colleagues to vote against Shelton's nomination to the Board, [citing](#) her decades-long advocacy for the Gold Standard and her opposition to Federal Deposit Insurance Corporation deposit insurance. Brown also pointed out that Shelton could not give an answer at her nomination hearing in early 2020 when asked how she would get the U.S. out of a situation where consumer confidence and spending dropped, unemployment jumped from 3.5 percent to 6.5 percent in a very short period of time, and the country was in a recession. Alexander also released a [statement](#) opposing Shelton's nomination. Alexander stated that he opposed the nomination because he is "not convinced that she supports the independence of the Federal Reserve Board."

The statements from Brown and Alexander follow other criticisms of Shelton, including comments from Senate Finance Committee Ranking Member Ron Wyden (D-Ore), who responded to Senate Majority Leader Mitch McConnell's decision to end debate and take a vote on Shelton's nomination by releasing a statement that Shelton's ideas "are so wacky and outdated, giving her authority over the dollar would be like putting a medieval barber in charge of the CDC" (see [Banking and Finance Law Daily](#), Nov. 13, 2020). In February 2020 (see [Banking and Finance Law Daily](#), Feb. 3, 2020), Sen. Elizabeth Warren (D-Mass) expressed significant concerns with Shelton and cited several occasions in which Shelton appeared to shift her views on economic policy to reflect President Trump's preferences.

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